

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1485 - SB 1563**

February 24, 2011

**SUMMARY OF BILL:** Authorizes a 100 percent digital theater in Knox County with eight auditoriums, including one auditorium restricted to patrons aged 21 years or older, to sell alcoholic beverages for on-premises consumption.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$300/One-Time/ABC Fund  
\$150/Recurring/ABC Fund  
Not Significant/Recurring/General Fund  
Increase State Expenditures – Not Significant**

**Increase Local Revenue – \$300/Recurring/Permissive  
Increase Local Expenditures – Not Significant**

**Assumptions:**

- This bill only applies to one establishment in Knox County.
- There is a \$300 initial license application fee and a \$150 annual renewal fee to the State Alcoholic Beverage Commission (ABC) Fund.
- No additional personnel or resources will be required by the ABC.
- Local privilege tax is \$300 annually. Any increase in local government expenditures for collecting local privilege taxes is estimated to be not significant.
- The entity will be assessed state and local sales taxes on alcoholic beverage sales, a 15 percent liquor-by-the-drink tax on each alcoholic beverage sold, and any applicable county or city privilege tax. These taxes will not have a significant state or local fiscal impact.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

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James W. White, Executive Director

/agl